

## Regulatory Story

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**PJSC Cherkizovo Group** - CHE First Quarter 2016 Trading Update  
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## PJSC Cherkizovo Group announces operating results for the first quarter of 2016

**Moscow, Russia - 28 April 2016 - Cherkizovo Group (LSE: CHE; MOEX: GCHE), the largest vertically integrated meat and feed producer in Russia, announces operating results for the first quarter of 2016**

### Key Operating Results

Sales volume by business segments			
Divisions	1Q 2016	1Q 2015	Year-on-year change (%)
Poultry	128,227	108,168	19%
Pork	40,138	37,366	7%
Meat Processing	48,615	37,846	28%
Grain Farming	n/a	n/a	n/a

### Poultry Division

First quarter sales volume increased by 19% year-on-year to 128,227 tons of sellable weight (1Q 2015: 108,168). This growth was a result of higher production levels and a management decision to sell excess inventory given the lack of certainty that the summer sales price will be high enough to compensate for the added cost of storage. The average price during the first quarter of 2016 dropped by 8% year-on-year to 88.62 RUB/kg (*Here and below, all average prices exclude VAT*) due to oversupply in the market and consumers' falling purchasing power. The average price also fell by 5% on a quarter-by-quarter basis (4Q 2015: 93.43 RUB/kg).

	1Q 2016	1Q 2015	Year-on-year change (%)
Volume, tons	128,227	108,168	19%
Avg. price, RUB/kg	88.62	96.49	(8%)

### Pork Division

Sales volume for the first quarter of 2016 increased by 7% year-on-year to 40,138 tons of sellable weight (1Q 2015: 37,366 tons). This was due to a new initiative

launched at the beginning of the year to improve efficiency by increasing weekly farrows. The average price decreased by 16% year-on-year to 81.73 RUB/kg (1Q 2015: 97.11 RUB/kg) and by 4% compared to the previous quarter (4Q 2015: 85.08 RUB/kg). The drop was a result of Russian consumers' lower purchasing power, an overall increase in pork production across the country, imports from Brazil and the beginning of Lent in March of this year.

	1Q 2016	1Q 2015	Year-on-year change (%)
<b>Volume, tons</b>	40,138*	37,366*	7%
<b>Avg. price, RUB/kg</b>	81.73	97.11	(16%)

\*Restated volume includes gilts

## Meat Processing Division

Sales volume increased by 28% year-on-year to 48,615 tons from 37,846 tons in Q1 2015. This growth resulted from the launch of a pig slaughter plant at the Dankov meat processing plant in the second half of 2015, which boosted both volume and product assortment. During the reporting period, the average price fell by 2% year-on-year to 165.11 RUB/kg due to consumers' preference shifting to more affordable products given their lower purchasing power. On a quarter-on-quarter basis, the average price fell by 3% (4Q 2015: 170.5 RUB/kg).

	1Q 2016	1Q 2015	Year-on-year change (%)
<b>Volume, tons</b>	48,615	37,846	28%
<b>Avg. price, RUB/kg</b>	165.11	168.85	(2%)

## Grain Farming Division

Due to the seasonality of this business, results of this segment are reported annually to better reflect the business performance and provide the appropriate basis for comparison.

For more information please visit [www.cherkizovo.com](http://www.cherkizovo.com) or contact

### Cherkizovo Group

#### Dmitry Yakovlev

IR Manager

+7 (495) 660 2440 ext. 15962

[d.yakovlev@cherkizovo.com](mailto:d.yakovlev@cherkizovo.com)

### FTI Consulting

Anton Karpov

+7 (495) 795 0623

[anton.karpov@fticonsulting.com](mailto:anton.karpov@fticonsulting.com)

### About Cherkizovo Group

**Cherkizovo Group** is the largest meat and feed producer in Russia. The Group is a top-3 producer in the poultry, pork and processed meat markets and is the largest feed manufacturer in the country.

Cherkizovo Group encompasses 8 full cycle poultry production facilities, 15 modern pork production facilities, 6 meat processing plants, 9 feed mills and more than 140,000 hectares of agricultural land. In 2015, Cherkizovo Group produced more than 825,000 tons of meat products.

Thanks to its vertically integrated structure, which includes grain growing and storage, feed production, livestock breeding, fattening and slaughtering, and meat processing, alongside a distribution system, the Group has consistently delivered stable, long-term growth of both sales and revenue. The Company's consolidated revenue reached RUB 77.0 bn in 2015.

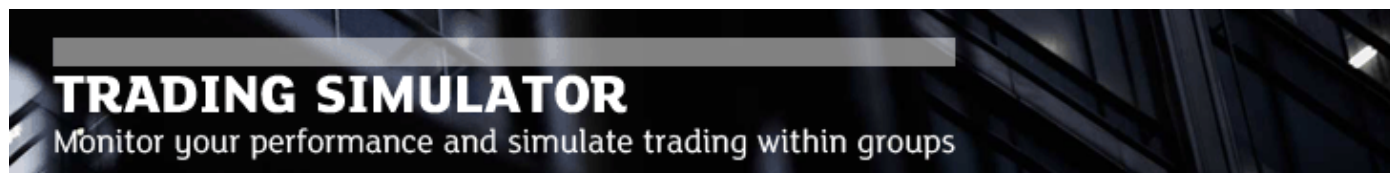
Cherkizovo Group shares are traded on the London Stock Exchange (LSE) and on the Moscow Exchange (MOEX).

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